by Thomas K. Brueckner

FinancialFITNESS

Why Every New Retiree Should Have Two Financial Advisors

Thomas K. Brueckner, CLTC, is President/CEO of Strategic Asset Conservation in Scottsdale, a conservative wealth management firm with clients in 18 states and 6 countries. He is a 2011 Advisor of the Year national finalist, a radio talk show host, and a mentor to other advisors nationally. He may be reached for comment at go2knight.com.

In an article in *Smart Money* magazine, author Glenn Ruffenach made the point that the advisor who got you to retirement, is very often not the specialist you'll need to get you *through* retirement.

If you've arrived at your sixties with financial scar tissue still visible all over your retirement accounts, you're not alone. The last fourteen years have devastated many investors, even as they poured precious assets into the sieve that was Wall Street from 2000-2013 during which the S&P 500 gained 25.9%, or 1.85% per year. You understand that now is the time to emphasize *preserving* your accounts for you and your spouse, as well as any legacy you hope to leave your children. As such, you now believe that the majority of your holdings should be in safe, guaranteed instruments, with a minority share remaining in a conservatively managed and well-diversified equities account.

But herein lies the rub: The advisor who handles this now-smaller piece often doesn't have the training, perspective, or skill set and expertise to also handle the larger, safety-focused piece. As a revealing study in *Financial Planning* magazine recently showed, most risk-based advisors are woefully out of touch with the primary goals of their retired clients: When clients were asked what their top concern was, 86.6% said "losing their wealth." When their *advisors* were asked the same question, only 15.4% believed "losing their wealth" was the most important issue to *those clients*.

The investment charts used by many advisors still assume reinvested dividends—even though you and most of your friends have begun enjoying that dividend income in retirement—rendering those charts misrepresentative of your market experience and goals. (Incidentally, those charts also don't include fees, expenses, taxes or inflation.) He/she "can't guarantee" *at precisely the stage in life where you want guarantees*—guarantees against market losses, accompanied by tax advantages, leverage for heirs, and reasonable rates of return. You don't care if you never hit another home run again—and you'd be happy hitting singles, doubles and the occasional triple—but you simply can't afford to lose the game swinging for the fences any more.

In the same way that many of us have a dentist and an orthodontist, a tax preparer and an estate planning attorney, a primary care physician and a specialist (oncologist, cardiologist, etc.) based on past treatment history—so too should we have two financial advisors: a growth money manager whose specialties are risk-based, and a safe-money advisor who specializes in guarantees, income-planning, wealth transfer, long-term care planning, and reasonable rates of return on your money. And this brings me to my final point, and it's an important one: If either of these two advisors is unwilling to work together on your behalf (like doctors sharing treatment regimens out of professional courtesy), you should consider finding a replacement for that person. Specialties should be respected, not disparaged, especially when one is dealing with monies that it's taken one's client 40 years to save. After all, it's not *their* money, *it's yours*.